

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining JOHN R. BAZA Division Director

March 18, 2014

Jon Rush Gold Rush Metals 320 East State Street Orderville, Utah 84758

Subject: Reclamation Surety and Cultural Resource Survey Required; Gold Rush Metals; Fraction Load, Fraction Load 2, and Tuolumene Mines; S/045/0093; Tooele County,

Utah

Dear Mr. Rush:

The referenced Notice of Intention to Commence Small Mining Operations (NOI), received by the Division of Oil, Gas and Mining on March 11, 2014, is complete <u>with the exception of the cultural resources survey and reclamation bonding requirement.</u> The Division has requested surety concurrence from the Bureau of Land Management (BLM) for the amount of the reclamation surety, but the BLM cannot provide this concurrence until the Plan of Operations has been completed. The Plan of Operations with the BLM includes the survey for cultural resources.

The Division has *estimated* the required reclamation surety at \$30,200 for a three-year escalation (2016) or \$30,900 for a five-year escalation (2018). This was determined based on information in the following table.

Small Mine Operation Bond Calculation Worksheet S/045/0	093		
3-year escalation (2016)			
Item	Qty	Unit Cost	Total Cost
1st Acre Disturbance	1	\$9,400.00	\$9,400.00
Add'l Acres Disturbance	4	\$5,200.00	\$20,800.00
TOTAL			\$30,200.00
5-year escalation (2018)			
Item	Qty	Unit Cost	Total Cost
1st Acre Disturbance	1	\$9,700.00	\$9,700.00
Add'l Acres Disturbance	4	\$5,300.00	\$21,200.00
TOTAL			\$30,900.00



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No mining related disturbance may be created until the surety is received and approved and you have received written acceptance from this office as well as other applicable agencies, which includes the BLM. The surety estimate amount will be finalized after the Division receives concurrence from the BLM.

The reclamation surety can be submitted in one of several forms, including, an irrevocable letter of credit, a certificate of deposit, cash or a surety bond. Please contact Penny Berry at 801-538-5291 or by e mail at pennyberry@utah.gov for assistance in completing this requirement.

Please contact Leslie Heppler at 801-538-5257 if you have any questions regarding this letter. In reply please refer to file number S/045/0093.

Sincerely,

Paul B. Baker

Minerals Program Manager

PBB: lah: eb

cc: Larry Garahana, SL BLM (lgarahana@blm.gov)